

TO: James L. App, City Manager
FROM: Jim Throop, Administrative Services Director
SUBJECT: Formation of a Citywide Tourism Business Improvement District (BID)
DATE: October 7, 2008

Needs: For the City Council to consider the formation of a citywide tourism business improvement district.

Facts:

1. The formation of a Business Improvement District for Tourism and Lodging was formally requested by several hoteliers within the City of Paso Robles.
2. The City has held discussions with several hotel owners, resulting in a proposal to create a BID, funded by annual assessments upon all lodging establishments located in the City. Hotel requested exclusions to the proposed BID include bed-and-breakfast establishments, campgrounds, recreational vehicle parks, vacation rentals as well as extended stays (more than 30 consecutive days).
3. The boundaries of the area to be included in the Business Improvement District are the geographic boundaries of the City.
4. Pursuant to Section 36530 of the California Streets and Highways Code, an advisory board will be created to make recommendations to the City Council on the expenditure of revenues for proposed improvements and activities of the BID. Recommendations for membership of the advisory board were submitted by the hoteliers for Council consideration. (Attachment A).
5. The BID will levy an annual assessment of two percent (2%) of gross room rental revenue charged by all existing and new tourist lodging establishments, per room per night, for all transient occupancies. The assessment would be levied annually against only tourist lodging establishments. Collection of the assessment would occur on a monthly basis, similar to the Transient Occupancy Tax.
6. Activities that promote tourism and the local tourist lodging establishments are proposed to be funded by the assessments. The hoteliers' proposed initial 12-month budget is attached as Attachment B.
7. Formation generally involves the following steps: Establishment of an advisory board, publication and mailing of a joint notice of public meeting and a public hearing to consider formation of the BID; a public meeting at which the City Council adopts a resolution of intention; a public hearing at which the Council receives public comment and protests; and, adoption of the BID Ordinance.

ANALYSIS &

CONCLUSION: The City is responding to a request from the tourism, hospitality and lodging establishments within the City to form a Business Improvement District. This district would be for the benefit of the industry in terms of advertising and marketing of Paso Robles as a destination location.

The collection of all BID revenue would be held in a separate fund that would be used only for the purposes of tourism and lodging, as stated in the Ordinance and Bylaws. All funds would be audited during the City's annual audit by an independent third-party audit firm.

Tourism is an important contributor to the economy of the City and the promotion of the City's tourist lodging businesses will serve an important public purpose.

POLICY

REFERENCE:

The BID formation process is governed by the Parking and Business Improvement Area Law of 1989 contained in Streets and Highway Code sections 36500, et seq.

2006 Economic Strategy

FISCAL

IMPACT:

All assessments shall be held by the City in a separate account established for the District.

OPTIONS:

- a.** Adopt: the following Resolutions:
 - i. Resolution No. 08-xxx establishing and adopting bylaws for the Paso Robles Tourism and Lodging Promotions Business Improvement District Advisory Committee;
 - ii. Resolution No. 08-xxx declaring the intention to establish the Paso Robles Tourism and Lodging Promotions Business Improvement District, and setting a public hearing for December 2, 2008; and
 - iii. Appoint the hoteliers' recommendations to the Paso Robles Tourism and Lodging Promotions Business Improvement District Advisory Committee; or
- b.** Amend, modify, or reject the option above.

Enclosures:

Attachment A – Proposed Bid Advisory Board Members

Attachment B – Initial 12-Month Budget Projection

Attachment C - Joint Notice of Public Meeting

Attachment D – Resolution Establishing Advisory Committee

Attachment E – Resolution of Intent



Paso Robles Hotelier BID Budget
First 12 Months of Assessment

<u>Activity Category</u>	<u>Budget</u>	<u>% of Total</u>
PRHBID Branding & Key Messaging	\$18,000	4%
Marketing, Advertising Campaigns	\$90,000	18%
Public Relations & Monitoring	\$98,000	20%
Media Placements (print and online)	\$184,000	37%
Contingency / Unallocated	<u>\$110,000</u>	22%
Total Estimated Budget	\$500,000	

where grey matter matters

ATTACHMENT C

City of El Paso de Robles Joint Notice of Public Meeting and Public Hearing on Formation of the Paso Robles Tourism and Lodging Promotions Business Improvement District

The City of El Paso de Robles will conduct a Public Meeting and a Public Hearing on the proposed formation of a Paso Robles Tourism and Lodging Promotions Business Improvement District. The Public Meeting will be held at 7:30 p.m. on Tuesday, October 7, 2008, and the Public Hearing will be held at 7:30 p.m. on December 2, 2008. Both the public meeting and the public hearing will be held at the Paso Robles Library/City Hall Conference Center, 1000 Spring Street, El Paso de Robles, California.

ACTION: The City Council is being asked to adopt an ordinance establishing the Paso Robles Tourism and Lodging Promotions Business Improvement District ("BID") to promote tourism and local tourist lodging establishments within the City. Pursuant to the ordinance, the BID will levy an annual assessment of two percent (2%) the gross room rental revenue charged by all existing and new tourist lodging establishments per room per night for all transient occupancies. The assessment would be levied annually only against tourist lodging establishments to pay for improvements and activities of and within the BID.

At the Public Meeting on October 7, 2008 the City Council will consider approval of a resolution of intention to establish the BID and levy an annual assessment.

At the Public Hearing on December 2, 2008 the City Council will consider any written or verbal protests against the establishment of the BID, the extent of the BID, or the furnishing of specified types of improvements or activities within the BID. Following the public hearing, the City Council will be asked to introduce the ordinance establishing the BID and levying the annual assessment.

Assessment and Classification of Business

The BID will levy an assessment against all tourist lodging establishments within the boundaries of the City. The assessment shall be levied annually. For purposes of the BID, the term "tourist lodging establishments" shall mean hotels, but not bed and breakfast establishments, campgrounds, or recreational vehicle parks. The amount of the assessment shall be two percent (2%) of the gross room rental revenue charged by tourist lodging establishments per room per night for transient occupancies. Transient occupancies by federal government employees on government business will be exempt from the levy of assessment. Extended stays, defined as more than thirty (30) consecutive calendar days, shall also be exempt from the levy of assessment.

Assessment Estimate

The estimated amount of revenue to be raised by the assessment annually is two percent (2%) of the gross lodging room rental revenue charged for transient occupancies.

Method and Frequency of Collection

Beginning on February 1, 2009, assessments shall be collected monthly, or in such other installments as determined by the City Council, based upon the total room rental revenues of the

previous month and paid to the City's Department of Administrative Services. Each operator of a tourist lodging establishment shall on or before the last day of the month report to the City's Department of Administrative Services the total gross room rental revenue charged in the previous month. At the same time, the operator shall remit to the City the assessment in the amount of TWO PERCENT (2%) of the gross room rental revenue charged per room per night for all transient occupancies not otherwise exempted from the assessment. Operators shall report the total gross room rental revenue charged and remit the assessment due in the same manner as the operator reports and remits the Transit Occupancy Tax, per Chapter 5.06 of the El Paso de Robles Municipal Code, to the extent possible.

Protest Information

Any interested person, who would be charged the assessment may file a written protest with the City Clerk, or having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection and shall contain a description sufficient to identify the business and business owner. If written protests are received from business owners who will pay 50% or more of the assessments proposed to be levied at or before the public hearing and protests are not withdrawn so as to reduce the protests to less than 50%, no further proceedings to establish the BID shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

Further information can be obtained from the City Clerk at 1000 Spring Street, El Paso de Robles, California, or by calling (805) 237-3960.

Public Comments

All interested parties are invited to attend the public meeting and the public hearing or to send written communications to the City Clerk no later than the public hearing date.

RESOLUTION NO. 08-_____

A RESOLUTION OF THE CITY COUNCIL OF
THE CITY OF EL PASO DE ROBLES ESTABLISHING AND ADOPTING BYLAWS FOR
THE PASO ROBLES TOURISM AND LODGING PROMOTIONS BUSINESS
IMPROVEMENT DISTRICT ADVISORY COMMITTEE

WHEREAS, the California Streets and Highways Code Section 36500 et seq. authorizes cities to establish parking and business improvement areas for the purpose of promoting tourism within business districts in order to create jobs, attract new business, and enhance the business district; and

WHEREAS, tourism is an important contributor to the economy of the City and the promotion of the City's tourist lodging establishments will serve an important public purpose; and

WHEREAS, the owners of the tourist lodging establishments have requested that the City Council consider establishing such an improvement area; and

WHEREAS, the California Streets and Highways Code Section 36530 requires the City Council to appoint an advisory board for such an improvement area, which shall make a recommendation to the City Council on the expenditure of revenues derived from the levy of assessments and on the method and basis of levying the assessments; and

WHEREAS, the City Council may create a new advisory board for that purpose and may appoint the advisory board prior to adoption of the resolution of intention to create the area.

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of El Paso de Robles does hereby resolve, determine and find as follows:

Section 1. The recitals set forth herein are true and correct.

Section 2. The City Council, at the request of owners of tourist lodging establishments within the City, and pursuant to Section 36530 of the California Streets and Highways Code, does hereby establish the "Paso Robles Tourism and Lodging Promotions Business Improvement District Advisory Committee" (the "Committee").

Section 3. The purpose of the Committee shall be to consult with and advise the City Council on those matters dealing with the method and basis of levying assessments within the proposed Paso Robles Tourism and Lodging Promotions Business Improvement District ("District"); expenditures of revenues derived from such assessments; and programs, services, improvements, and activities intended to promote tourism and local tourist lodging establishments within the District.

Section 4. The City Council hereby adopts Bylaws for the Committee, attached as Exhibit A, and incorporated herein.

Section 5. This Resolution is effective on its adoption.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this ____ day of _____ 2008 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk

BYLAWS

PASO ROBLES TOURISM AND LODGING
PROMOTIONS BUSINESS IMPROVEMENT DISTRICT
ADVISORY COMMITTEE

ARTICLE I - THE COMMITTEE

Section 1: Name of Committee

The name of the Committee shall be the "Paso Robles Tourism and Lodging Promotions Business Improvement District Advisory Committee" (hereinafter referred to as the "BID Committee").

Section 2: Purpose

The BID Committee serves at the pleasure of the City Council as a means to aid the City Council in gathering public input by providing a forum through which private citizens may advise the City Council of the City of Paso Robles ("Agency") on matters relating to the Paso Robles Tourism and Lodging Promotions Business Improvement District ("District") in the City of Paso Robles. In order to accomplish that purpose, the BID Committee may consult with and advise the Agency on those matters which deal with:

- a. the method and basis of levying assessments within the District;
- b. expenditures of revenues derived from such assessments; and
- c. programs, services, improvements, and activities intended to promote tourism and local tourist lodging establishments within the District.

The BID Committee shall be and remain established following the adoption of these Bylaws unless otherwise abolished by an affirmative vote of the majority of the City Council.

Section 3: Membership

a. Membership Categories and Qualifications

To be eligible for membership on the BID Committee, a person must be either a:

- (1) Hotelier Member of the Promotions Coordinating Committee: To qualify under this category, the person must currently serve as one of the two hotelier members appointed to the Promotions Coordinating Committee.
- (2) Hotelier: To qualify under this category, the person, or the legal entity that the person represents, must present satisfactory evidence of ownership and/or operation of a tourist lodging establishment within the City.

b. Open Membership

Criteria and selection for membership shall not discriminate based upon sex, race, religion, creed, color, age, national or ethnic origin, or any other classification protected by law.

c. Total Membership & Term Of Appointment

The total membership of the BID Committee shall be seven (7) members. The total membership shall be allocated among the two membership categories, defined above, as follows: two (2) members from the Hotelier Member of the Promotions Coordinating Committee membership category, and five (5) members from the general Hotelier membership category.

A member's regular term of appointment shall be three (3) years. However, the initial term for one (1) member from the Hotelier Member of the Promotions Coordinating Committee membership category and for two (2) members from the general Hotelier membership category shall be for only two (2) years. Following this initial two (2) year term, the regular term of appointment for each of these members shall then be three (3) years.

- (1) No person shall be eligible for appointment for more than three consecutive terms, exclusive of prior appointment to fill an unexpired term of office.
- (2) Persons who have served three full consecutive terms may be reappointed following a one-term absence.
- (3) Appointees shall serve on only one Council Advisory Body/Commission at a time, with the exception of the appointees who are also members of the Promotions Coordinating Committee, who may continue to serve on both bodies.

d. Member Code of Ethics

Committee members shall adhere to the City Council's Code of Ethics (Appendix).

Section 4: Conflict of Interest

- a. Committee members shall not use their position to influence government decisions in which they have a financial interest, or where they have an organizational responsibility or personal relationship that would present a conflict of interest.
- b. Committee members shall refrain from using their position to unduly influence the deliberations or decisions of the City Council or other City commission, board or committee.

Section 5: Termination of Membership

Membership in the BID Committee shall terminate in the event that:

- a. The member shall not be, or shall no longer be, a member of that membership category from and for which he or she was elected or appointed; or
- b. The member shall have acted in violation of Section 9 of Article III of these Bylaws.
- c. The member shall have served three consecutive full terms.
- d. The Paso Robles Tourism and Lodging Promotions Business Improvement District has been terminated by the City Council.

Section 6: Removal of Members

A member may be removed by an affirmative vote of a majority of the City Council, if, after a hearing, it is found and determined that any one of the grounds for termination specified in Section 5 of this Article I exists.

Section 7: Resignation

Any BID Committee member may resign at any time by giving written notice to the Chairperson, who shall forward such notice to the BID Committee and the Agency. Any such resignation will take effect upon receipt or upon any date specified therein. The acceptance of such resignation shall not be necessary to make it effective.

Section 8: Filling of Vacancies

In the event of a vacancy on the BID Committee, the City Council shall select an individual to fill such vacancy as soon as reasonably practicable. New members must meet the qualifications set forth in Section 3 of Article I.

Section 9: Remuneration

Members shall serve without pay except for reimbursement for travel expenses to meetings outside of the City.

ARTICLE II - OFFICERS

Section 1: Officers

The officers of the BID Committee shall consist of a Chairperson and a Vice Chairperson, who shall be elected in the manner set forth in this Article II.

Section 2: Chairperson

The Chairperson shall preside at all meetings of the BID Committee, and may submit such agenda, recommendations and information at such meetings as are reasonable and proper for the conduct of the business affairs and policies of the BID Committee. The Chairperson may sign documents necessary to carry out the business of the BID Committee.

Section 3: Vice-Chairperson

The Vice Chairperson shall perform the duties of the Chairperson in the absence or incapacity of the Chairperson. In the event of the death, resignation or removal of the Chairperson, the Vice Chairperson shall assume the Chairperson's duties until such time as the BID Committee shall elect a new Chairperson.

Section 4: Additional Duties

The officers of the BID Committee shall perform such other duties and functions as may from time to time be required by the BID Committee, these Bylaws, or other rules and regulations, or which duties and functions are incidental to the office held by such officers.

Section 5: Election

The Chairperson and Vice Chairperson shall initially be elected from among the members of the BID Committee at the BID Committee's first regular meeting. Thereafter, the Chairperson and Vice Chairperson shall be elected from among the members of the BID Committee annually. The regular term of appointment for both officers shall be one (1) year. Officers of the BID Committee shall hold office until their successors are elected and in office. Any such officer shall not be prohibited from succeeding him or herself.

Section 6: Removal of Officers

Upon an affirmative vote by a majority of the members of the BID Committee present at a regular or special meeting of the BID Committee at which a quorum is present, any officer may be removed from office, and a successor elected pursuant to Section 7 of this Article II.

Section 7: Vacancies

Should the offices of the Chairperson or Vice Chairperson become vacant, the BID Committee shall elect a successor from among the BID Committee members at the next regular or special meeting, and such office shall be held for the unexpired term of said office.

ARTICLE III - MEETINGS

Section 1: Regular Meetings

The BID Committee shall meet quarterly, at a location accessible to the public, in Paso Robles, California. A notice, agenda and other necessary documents shall be delivered to the members, personally or by mail, at least seventy-two (72) hours prior to the meeting.

Section 2: Special Meetings

Special meetings may be held upon call of the Chairperson, or an affirmative vote by a majority of the members of the BID Committee present at a regular or special meeting of the BID Committee at which a quorum is present, for the purpose of transacting any business designated in the call, after notification of all members of the BID Committee by written notice personally delivered or by mail at least twenty-four (24) hours before the time specified notice for a special meeting. At such special meeting, no business other than that designated in the call shall be considered.

Section 3: Adjourned Meetings

Any meeting of the BID Committee may be adjourned to another meeting date, time and place without the need for notice requirements of a special meeting, provided the adjournment indicates the date, time and place of the adjourned meeting. BID Committee members absent from the meeting at which the adjournment decision is made shall be notified by the Chairperson of the adjourned meeting.

Section 4: All Meetings to be Open and Public

All meetings of the BID Committee shall be open and public to the extent required by law. All persons shall be permitted to attend except as otherwise provided by law.

Section 5: Posting Agendas/Notices

The City Staff member assigned to the BID Committee, or his or her authorized representative, shall post an agenda for each regular BID Committee meeting or a notice for each special BID Committee meeting containing a brief description of each item of business to be transacted or discussed at the meeting together with the time and location of the meeting. Agendas/notices shall be posted at the Paso Robles City Library and Police Department at least seventy-two hours in advance of each regular meeting and at least twenty-four (24) hours in advance of each special meeting. The Staff Member shall maintain a record of such posting.

Section 6: Right of Public to Appear and Speak

At every regular meeting, members of the public shall have an opportunity to address the BID Committee on matters within the BID Committee's subject matter jurisdiction. Public input and comment on matters on the agenda, as well as public input and comment on matters not otherwise on the agenda, shall be made during the time set aside for public comment; provided, however, that the BID Committee may direct that public input and comment on matters on the agenda be heard when the matter regularly comes up on the agenda. The Chairperson may limit the total amount of time allocated for public discussion on particular issues and/or the time allocated for each individual speaker.

Section 7: Non-Agenda Items

Matters brought before the BID Committee at a regular meeting which were not placed on the agenda of the meeting shall not be acted upon by the BID Committee at that meeting unless action on such matters is permissible pursuant to the Ralph M. Brown Act (Gov. Code §54950 et seq.). Those non-agenda items brought before the BID Committee that the BID Committee determines will require BID Committee consideration and action and where BID Committee action at that meeting is not so authorized shall be placed on the agenda for a future meeting once a City staff report concerning the matter is prepared.

Section 8: Quorum

The powers of the BID Committee shall be vested in the members thereof in office. Three of the five members then in office shall constitute a quorum for the purpose of conducting the BID Committee's business, exercising its powers and for all other purposes, but less than that number may adjourn the meeting until a quorum is obtained. An affirmative vote by a majority of the members of the BID Committee present at a regular or special meeting of the BID Committee at which a quorum is present shall be required for approval of any questions brought before the BID Committee.

Section 9: Unexcused Absences

If a member shall be absent without the consent of the BID Committee from three (3) meetings, whether regular or special, within six (6) consecutive calendar months, such

absence shall result in the termination of the membership of the absenting member. A member's absence shall be excused if, prior to the meeting from which said member will be absent, said member notifies the Chairperson of his or her intent to be absent and the reasons therefore; provided, however, that a member shall be entitled to only two (2) excused absences within twelve (12) consecutive calendar months. At each meeting, after the roll has been called, the Chairperson shall report to the BID Committee the name of any member who has so notified him or her of his or her intent to be absent and the reason for such absence.

Section 10: Order of Business

All business and matters before the BID Committee shall be transacted in conformance with the City Council's established practice.

Section 11: Minutes (Action)

Minutes of the BID Committee shall be prepared in writing by the City staff member assigned to the BID Committee. Copies of the minutes of each BID Committee meeting shall be made available to each member of the BID Committee and the Agency. Approved minutes shall be filed in the official book of minutes of the BID Committee and forwarded to the City Council for information.

Section 12: Recommendations to City Council

Recommendations of the BID Committee to the City Council shall be prepared in writing by the City staff member assigned to the BID Committee. Recommendations may be presented to the City Council during a public meeting once the assigned staff prepares a staff report summarizing key facts, analysis, cost/benefit consideration, fiscal impact, and policy implications and options, and the report has been reviewed by the City Manager. The official minutes of the BID Committee documenting the BID Committee recommendation(s) shall be attached to the staff report.

ARTICLE IV - REPRESENTATION BEFORE PUBLIC BODIES

The Chairperson, the Vice-Chairperson in the Chairperson's absence, or a member of the BID Committee may make official representations on behalf of the BID Committee before the City Council only if so specifically designated by the BID Committee. The BID Committee may present information to other public bodies with the affirmative vote of a majority of the City Council. Nothing in this article shall limit the ability of members of the BID Committee to speak before the City Council or any other public body as an individual, provided the member states he or she is not representing or speaking on behalf of the BID Committee.

ARTICLE V - COMMITTEES

The BID Committee may establish any standing and/or special committees it deems necessary consistent with, and to fulfill, its stated purpose as established in Section 2 of these Bylaws.

ARTICLE VI - AMENDMENTS

These Bylaws may be amended upon an affirmative vote by a majority of the City Council.

RESOLUTION NO. 08-_____

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF EL PASO DE ROBLES
DECLARING ITS INTENTION TO ESTABLISH THE PASO ROBLES TOURISM AND
LODGING PROMOTIONS BUSINESS IMPROVEMENT DISTRICT

WHEREAS, the California Streets and Highways Code Section 36500 *et seq.* authorizes cities to establish parking and business improvement areas for the purpose of promoting tourism within business districts in order to create jobs, attract new business, and enhance the business district; and

WHEREAS, tourism is an important contributor to the economy of the City and the promotion of the City's tourist lodging establishments will serve an important public purpose; and

WHEREAS, the owners of the tourist lodging establishments have requested that the City Council consider establishing such an improvement area.

NOW, THEREFORE, BE IT RESOLVED that the City Council for the City of El Paso de Robles does hereby resolve, determine and find as follows:

Section 1. The recitals set forth herein are true and correct.

Section 2. The City Council, at the request of owners of tourist lodging establishments within the City, and pursuant to Section 36500 *et seq.* of the California Streets and Highways Code, does hereby declare its intention to establish the "Paso Robles Tourism and Lodging Promotions Business Improvement District" (the "District").

Section 3. The boundaries of the area to be included in the District are the boundaries of the City of El Paso de Robles.

Section 4. The types of activities proposed to be funded by the levy of assessments on businesses in the District are those activities that will promote tourism and the local tourist lodging establishments.

Section 5. The City Council intends to levy an annual assessment on all tourist lodging establishments within the District, to pay for all improvements and activities of the District, except where funds may otherwise be available, commencing with fiscal year 2008-09. As used herein, the term "tourist lodging establishments" shall mean hotels, as defined in Section 21.08.250 of the Paso Robles Municipal Code, but not bed and breakfast establishments, as defined in Section 21.15.220 of the Paso Robles Municipal Code, nor campgrounds or recreational vehicle parks. The method and the basis for levying the assessment on such tourist lodging establishments within the District shall be as follows: An assessment will be levied annually against tourist lodging establishments to pay for the improvements and activities within the District and will be collected in monthly installments or such other installments as

determined by the City Council. The proposed assessment is to be levied on all tourist lodging establishments within the District boundaries based upon two percent (2%) of the rent charged by the operator per occupied room per night for all transient occupancies. "Transient occupancy" shall mean the use or possession, or the right to the use or possession, of any room or rooms or portion thereof, in any hotel for dwelling, lodging or sleeping purposes, for a period of thirty consecutive calendar days or less. Transient occupancies by federal government employees on government business will be exempt from the levy of assessment. Extended stays, defined as more than thirty (30) consecutive calendar days, shall be exempt from the levy of assessment. Assessments levied pursuant to the District shall not be included in gross room rental revenue for the purpose of determining the amount of the transient occupancy tax.

Section 6. New tourist lodging establishments shall not be exempt from assessment.

Section 7. A public hearing to establish the District is hereby set for December 2, 2008 at 7:30 p.m. before the City Council of the City of El Paso de Robles at the Paso Robles Library/City Hall Conference Center, 1000 Spring Street, El Paso de Robles, California.

Section 8. The City Clerk is instructed to provide notice to the public hearing as follows:

- a. Publish this Resolution of Intention in a newspaper of general circulation in the City of El Paso de Robles once, at least seven (7) days before the hearing.
- b. Mail a complete copy of this Resolution of Intention to each and every owner and/or operator of a tourist lodging establishment in the proposed District within seven (7) days of the adoption of this Resolution by the City Council.

Section 9. At the public hearing, the testimony of all interested persons, for or against the establishment of the District, the boundaries of the District, the area of benefit within the District, the assessments to be levied, or the furnishing of specified types of improvements or activities, will be heard.

A protest may be made orally or in writing by any interested person. Any written protest as to the regularity or evidence of the proceedings shall be in writing and clearly state the irregularity or defect to which the objection is made. Written protests must be received by the City Clerk at or before the time set for the public hearing. A written protest may be withdrawn in writing at any time before the conclusion of the public hearing. Each written protest shall contain a written description of the business in which the person subscribing the protest is interested sufficient to identify the business. If the person subscribing is not shown on the official records of the City as the owner of the business, then the protest shall contain or be accompanied by written evidence that the person is the owner of the business.

Section 10. If at the conclusion of the public hearing, there are of record, written protests by the owners of the tourist lodging establishments within the District that would pay fifty percent (50%) or more of the total assessments of the entire District, no further proceedings to create the District shall occur. New proceedings to form the District shall not be undertaken again for a period of at least one (1) year from the date of the finding of the majority written

protests by the City Council. If the majority written protests are only as to an improvement or activity proposed, then that type of improvement or activity shall not be included in the District.

Section 11. Further information regarding the proposed District may be obtained from the City Clerk at 1000 Spring Street, El Paso de Robles, California.

Section 12. This Resolution is effective on its adoption.

PASSED AND ADOPTED by the City Council of the City of El Paso de Robles this 7th day of October 2008 by the following vote:

AYES:

NOES:

ABSTAIN:

ABSENT:

Frank R. Mecham, Mayor

ATTEST:

Deborah Robinson, Deputy City Clerk

PROOF OF PUBLICATION

LEGAL NEWSPAPER NOTICES

CITY COUNCIL
PROJECT NOTICING

Newspaper:

Tribune

Date of Publication:

September 28, 2008

Meeting Date:

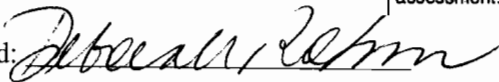
October 7, 2008

Project:

Paso Robles Tourism & Lodging
Promotions
Business Improvement District
Public Hearing

I, Deborah Robinson, employee of the
of the City of El Paso de Robles do
hereby certify that this notice is a true
copy of a published legal newspaper
notice for the above named project.

Signed:



**City of El Paso de Robles
Joint Notice of Public Meeting and
Public Hearing on Formation of
the Paso Robles Tourism and
Lodging Promotions
Business Improvement District**

The City of El Paso de Robles will conduct a Public Meeting and a Public Hearing on the proposed formation of a Paso Robles Tourism and Lodging Promotions Business Improvement District. The Public Meeting will be held at 7:30 p.m. on Tuesday, October 7, 2008, and the Public Hearing will be held at 7:30 p.m. on December 2, 2008. Both the public meeting and the public hearing will be held at the Paso Robles Library/City Hall Conference Center, 1000 Spring Street, El Paso de Robles, California.

ACTION: The City Council is being asked to adopt an ordinance establishing the Paso Robles Tourism and Lodging Promotions Business Improvement District ("BID") to promote tourism and local tourist lodging establishments within the City. Pursuant to the ordinance, the BID will levy an annual assessment of two percent (2%) the gross room rental revenue charged by all existing and new tourist lodging establishments per room per night for all transient occupancies. The assessment would be levied annually only against tourist lodging establishments to pay for improvements and activities of and within the BID.

At the Public Meeting on October 7, 2008 the City Council will consider approval of a resolution of intention to establish the BID and levy an annual assessment.

At the Public Hearing on December 2, 2008 the City Council will consider any written or verbal protests against the establishment of the BID, the extent of the BID, or the furnishing of specified types of improvements or activities within the BID. Following the public hearing, the City Council will be asked to introduce the ordinance establishing the BID and levying the annual assessment.

Assessment and Classification of Business

The BID will levy an assessment against all tourist lodging establishments within the boundaries of the City. The assessment shall be levied annually. For purposes of the BID, the term "tourist lodging establishments" shall mean hotels, but not bed and breakfast establishments, campgrounds, or recreational vehicle parks. The amount of the assessment shall be two percent (2%) of the gross room rental revenue charged by tourist lodging establishments per room per night for transient occupancies. Transient occupancies by federal government employees on government business will be exempt from the levy of assessment. Extended stays, defined as more than thirty (30) consecutive calendar days, shall also be exempt from the levy of assessment.

Assessment Estimate

The estimated amount of revenue to be raised by the assessment annually is two percent (2%) of the gross lodging room rental revenue charged for transient occupancies.

Method and Frequency of Collection

Beginning on **February 1, 2009**, assessments shall be collected monthly, or in such other installments as determined by the City Council, based upon the total room rental revenues of the previous month and paid to the City's Department of Administrative Services. Each operator of a tourist lodging establishment shall on or before the last day of the month report to the City's Department of Administrative Services the total gross room rental revenue charged in the previous month. At the same time, the operator shall remit to the City the assessment in the amount of TWO PERCENT (2%) of the gross room rental revenue charged per room per night for all transient occupancies not otherwise exempted from the assessment. Operators shall report the total gross room rental revenue charged and remit the assessment due in the same manner as the operator reports and remits the Transit Occupancy Tax, per Chapter 5.06 of the El Paso de Robles Municipal Code, to the extent possible.

Protest Information

Any interested person, who would be charged the assessment may file a written protest with the City Clerk, or having previously filed a protest, may file a written withdrawal of that protest. A written protest shall state all grounds of objection and shall contain a description sufficient to identify the business and business owner. If written protests are received from business owners who will pay 50% or more of the assessments proposed to be levied at or before the public hearing and protests are not withdrawn so as to reduce the protests to less than 50%, no further proceedings to establish the BID shall be taken for a period of one year from the date of the finding of a majority protest by the City Council.

Further information can be obtained from the City Clerk at 1000 Spring Street, El Paso de Robles, California, or by calling (805) 237-3960.

Public Comments

All interested parties are invited to attend the public meeting and the public hearing or to send written communications to the City Clerk no later than the public hearing date.

September 28, 2008

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